



United States Attorney  
Southern District of New York

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50 Main Street, Suite 1100  
White Plains, New York 10606

August 1, 2024

**BY ECF**

The Honorable Philip M. Halpern  
United States District Court Judge  
Southern District of New York  
300 Quarropas Street  
White Plains, New York 10601

**Re:     *United States of America v. \$690,000, No. 7:22-cv-00266 (PMH)***

Dear Judge Halpern:

The Government writes in relation to the captioned matter. As described in the Complaint, the Government has sought through this action to forfeit: (i) \$690,000 from a Bank of America account in the name of LV.Net LLC, and (ii) \$81,284.03 from a Bank of America account held in the name of California IOLTA Trust Accounts Madaen Law, Inc., as proceeds traceable to wire fraud and conspiracy to commit wire fraud. These funds stem from a business email comprise fraud scheme targeting Brownsville Community Development Corporation.

After this case was filed, (i) LV.Net, through its then-CEO Martin Mizrahi, filed a claim for \$690,000 seized from the LV.Net account, *see ECF 6*, and (ii) Bahram Madaen filed a notice of claim for the \$81,284.03 seized from the IOLTA account, *see ECF 5*.

On March 4, 2024, after a jury trial, Mizrahi was convicted of various fraud and money laundering-related offenses, including with respect to the Brownsville fraud. *See United States v. Mizrahi*, 22 Cr. 650 (JPO). As a result, at his sentencing, currently scheduled for September 10, the Government intends to seek criminal forfeiture of, among other things, the \$690,000 seized from LV Net's account that is currently the subject of this civil proceeding.

Further, the Government has consulted with Mr. Madaen, who is currently *pro se* in this action, and Mr. Madaen indicated in writing that he wishes to withdraw his claim. *See Ex. A.*

As a result, given that the Government intends to seek criminal forfeiture of the funds seized from LV.Net, and given that Mr. Madaen has withdrawn his claim to the funds seized from the IOLTA account, the Government respectfully requests that the Court adjourn the initial conference in this case currently scheduled for August 8 to a date after Mr. Mizrahi's September 10, 2024 sentencing. Following the sentencing, the Government will provide a further written

update to the Court. The Government has consulted with all parties to this action and understand that they consent to this adjournment request.

Respectfully submitted,

DAMIAN WILLIAMS  
United States Attorney

by:   
Benjamin Klein / Emily Deininger  
Assistant United States Attorneys  
(914) 993-1908 / (212) 637-2472

cc: All Counsel of Record (via ECF)

# EXHIBIT A

**From:** [attorneymadaen@gmail.com](mailto:attorneymadaen@gmail.com)  
**To:** Klein, Benjamin (USANYS)  
**Subject:** [EXTERNAL] RE: United States v. \$81,284.03 in United States currency, formerly on deposit in Bank of America Account XXXX2488, held in the name of California IOLTA Trust Accounts Madaen Law, Inc.  
**Date:** Wednesday, July 31, 2024 3:15:23 PM

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I hereby withdraw my claim.

Thank you very much.

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Madaen Law, Inc.  
Bahram Madaen, Esq.  
Tel: 714-782-7275 and 818-908-2618  
Fax: 818-908-2619

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**From:** Klein, Benjamin (USANYS) <Benjamin.Klein@usdoj.gov>  
**Sent:** Wednesday, July 31, 2024 12:12 PM  
**To:** attorneymadaen@gmail.com  
**Cc:** Deininger, Emily (USANYS) <Emily.Deininger@usdoj.gov>; Hillyard, Louis Jr. (NY) (FBI) <ldhillyard@fbi.gov>; Lonergan, Lawrence P. (NY) (FBI) <lplonergan@fbi.gov>  
**Subject:** United States v. \$81,284.03 in United States currency, formerly on deposit in Bank of America Account XXXX2488, held in the name of California IOLTA Trust Accounts Madaen Law, Inc.

Mr. Madaen,

As we discussed, we are writing to follow up on our telephone conversation. Based on our discussion, we understand that you would like to withdraw the claim you filed in the captioned civil forfeiture proceeding relating to \$81,284.03 forfeited from your attorney IOLTA account ending in 2488 held at Bank of America. Please respond and confirm that we have correctly understood your intention, and we will notify the Court accordingly.

Regards,  
Ben

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